

STATE OF IOWA
PROPERTY ASSESSMENT APPEAL BOARD

Carol Coyle,
Petitioner-Appellant,

v.

Dubuque County Board of Review,
Respondent-Appellee.

ORDER

Docket No. 10-31-0068
Parcel No. 1836481012

On April 26, 2011, the above-captioned appeal came on for hearing before the Iowa Property Assessment Appeal Board. The appeal was conducted under Iowa Code section 441.37A(2)(a-b) and Iowa Administrative Code rules 701-71.21(1) et al. Petitioner-Appellant, Carol Coyle, requested a hearing and submitted evidence in support of her petition. She participated by telephone and was self-represented. The Board of Review designated Assistant County Attorney Lyle Gallart as its legal representative, and he represented it at hearing. The Board of Review submitted documentary evidence in support of its decision. The Appeal Board now having examined the entire record, heard the testimony, and being fully advised, finds:

Findings of Fact

Carol Coyle, owner of property located at 224 1st Avenue W, Cascade, Iowa, appeals from the Dubuque County Board of Review decision reassessing her property. According to the property record card, the subject property consists of a two-story, building having a 2100 square-foot base, a full unfinished basement, and a 252 square-foot, one-story addition built in 1885. The improvement is situated on a 0.055 acre site. The real estate was classified as commercial on the January 1, 2010, assessment and valued at \$41,770, representing the \$4800 land value and \$36,970 in improvement value. This was a change from the previous year's assessment.

Coyle protested to the Board of Review on the grounds that the assessment was not equitable as compared with assessments of other like property in the taxing district under Iowa Code section 441.37(1)(a).

Coyle then appealed to this Board on the same ground. She claimed that \$28,300, allocated \$4800 to land and \$23,500 to the improvements, was the actual value and a fair assessment of the property as of January 1, 2010. The Board of Review denied the protest.

Coyle testified she purchased the property for \$30,000 in 2008 and the purchase included another lot. The lot was sold to the city for \$3000 in 2009 or 2010. The assessed value of the lot was \$5000 at the time of sale

Coyle testified the second floor apartment is uninhabitable. It has no functional plumbing, heating, or air conditioning due to pipes freezing and severe water damage. The basement floor is dirt. She reported the only major expenditure on the building was a partial replacement of the roof in 2009 for approximately \$8000. Coyle listed the addresses and assessed values of five properties in Cascade in support of her claim of equity. They are all two-story, similarly aged buildings generally in poor condition on 1st Avenue W. The following table summarizes the information.

Address	Year Built	GBA	Basement	Site	AV Land	AV Improvement	AV Total	AV PSF
Subject	1885	4452	2352	0.055	\$4,800	\$36,970	\$41,770	\$9.38
220 1st Ave W	1881	3843	2352	0.058	\$12,204	\$23,436	\$35,640	\$9.27
234 1st Ave W	1886	3811	1905	0.110	\$16,416	\$23,760	\$40,176	\$10.54
217 1st Ave W	1897	4400	2200	0.055	\$11,988	\$20,520	\$32,508	\$7.39
221 1st Ave W	1885	3270	2010	0.055	\$11,988	\$21,816	\$33,804	\$10.34
105 1st Ave W	1895	2040	1020	0.083	\$14,148	\$11,124	\$25,272	\$12.39

We note the range of assessed values per square foot for these properties, excluding the subject property listed first, range from \$7.39 to \$12.39 with a median of \$10.34. The subject property is assessed at \$9.38 per square foot, within the range and below the median.

Coyle also presented a comparison of the subject property and four sales of two-story properties built between 1835 and 1900 in poor and below normal condition. The sales occurred in 2008 and 2010, and are summarized below:

Address	Yr Built	Condition	GBA	Sale Date	Sale Price	Price PSF	2010 AV	AV PSF
300 1st Ave W	1900	Poor	8908	06/13/2008	\$105,000	\$11.79	\$76,788	\$8.62
206 1st Ave W	1885	Poor/BLNML	3302	06/09/2010	\$46,000	\$13.93	\$44,658	\$13.52
113 1st Ave W	1835	Poor	2288	11/04/2008	\$40,000	\$17.48	\$36,072	\$15.77
319 1st Ave W	1900	Poor	2880	12/22/2008	\$65,000	\$22.57	\$57,456	\$19.95
Subject	1885	NML	4452	10/7/2008	\$30,000	\$6.74	\$41,770	\$9.38

These sales prices range from \$11.79 per square foot to \$22.57 per square foot with a median of approximately \$15.70. The subject property was purchased during the same time frame for \$30,000 or \$6.74 per square foot. We note this is less than the lower end of the range for similar properties.

Assessor Dave Kubick confirmed that although the first floor of the Coyle property is in average condition for its age, the second floor is unusable. He stated he reviewed the sales in Exhibit A and noted a wide variation of sale prices per-square-foot for these two-story, downtown buildings. Kubick used the cost method for valuing this property using the *Iowa Real Property Appraisal Manual*. Kubick testified that he reduced the assessment since her purchase, although we note the current assessment is still 30% more than her 2008 purchase price. The property has a 60% discount for functional obsolescence, a 25% discount for economic obsolescence, and a 60% physical depreciation. However, it was not clear why the sale comparables are all rated in poor condition and the subject property is rated in normal condition despite its second floor being unusable.

Coyle's assessment of \$9.38 per square foot is well within the range and below the median of the five equity comparables properties on 1st Avenue W. Coyle had the lowest sale price per square foot, and her assessed value per square foot is at the lower end of the range as well. The comparable sales information Coyle provided would more appropriately support a claim that the property was

assessed for more than authorized by law under section 441.37(1)(b). We note that this information would have been quite dated for a 2010 assessment.

We agree with the Board of Review. The preponderance of the evidence does not support a finding that Coyle's property is inequitably assessed. However, this property may warrant further review by the assessor or Board of Review regarding the condition of the property and its impact on its fair market value.

Conclusion of Law

The Appeal Board applied the following law.

The Appeal Board has jurisdiction of this matter under Iowa Code sections 421.1A and 441.37A (2009). This Board is an agency and the provisions of the Administrative Procedure Act apply to it. Iowa Code § 17A.2(1). This appeal is a contested case. § 441.37A(1)(b). The Appeal Board determines anew all questions arising before the Board of Review related to the liability of the property to assessment or the assessed amount. § 441.37A(3)(a). The Appeal Board considers only those grounds presented to or considered by the Board of Review. § 441.37A(1)(b). But new or additional evidence may be introduced. *Id.* The Appeal Board considers the record as a whole and all of the evidence regardless of who introduced it. § 441.37A(3)(a); *see also Hy-vee, Inc. v. Employment Appeal Bd.*, 710 N.W.2d 1, 3 (Iowa 2005). There is no presumption that the assessed value is correct. § 441.37A(3)(a).

In Iowa, property is to be valued at its actual value. Iowa Code § 441.21(1)(a). Actual value is the property's fair and reasonable market value. *Id.* "Market value" essentially is defined as the value established in an arm's-length sale of the property. § 441.21(1)(b). Sale prices of the property or comparable properties in normal transactions are to be considered in arriving at market value. *Id.* If

sales are not available, "other factors" may be considered in arriving at market value. § 441.21(2).

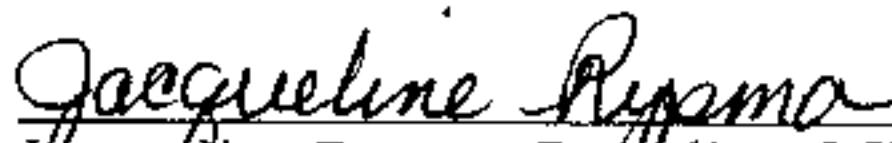
The assessed value of the property "shall be one hundred percent of its actual value." § 441.21(1)(a).

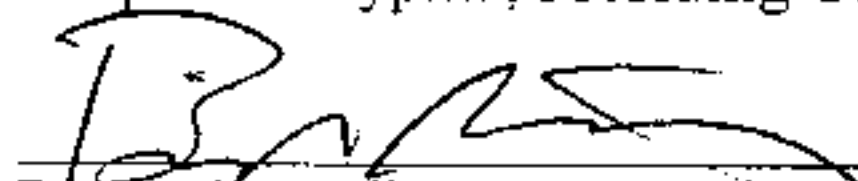
To prove inequity, a taxpayer may show an assessor did not apply an assessing method uniformly to similarly situated or comparable properties. *Eagle Food Centers v. Bd. of Review of the City of Davenport*, 497 N.W.2d 860, 865 (Iowa 1993). Alternatively, a taxpayer may show the property is assessed higher proportionately than other like property using criteria set forth in *Maxwell v. Shriver*, 257 Iowa 575, 133 N.W.2d 709 (1965). The gist of this test is the ratio difference between assessment and market value, even though Iowa law now requires assessments to be 100% of market value. § 441.21(1). Viewing the evidence as a whole, Coyle's evidence does not support a claim of inequity.

Therefore, we affirm the Coyle property assessment as determined by the Board of Review. The Appeal Board determines that the property assessment value as of January 1, 2010, is \$41,770, representing \$4800 in land value and \$36,970 in improvement value.

THE APPEAL BOARD ORDERS that the January 1, 2010, assessment as determined by the Dubuque County Board of Review is affirmed.

Dated this 27 day of May 2011.


Jacqueline Rypma, Presiding Officer


Richard Stradley, Board Chair


Karen Oberman, Board Member

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Certificate of Service	
The undersigned certifies that the foregoing instrument was served upon all parties to the above cause & to each of the attorney(s) of record herein at their respective addresses disclosed on the pleadings on <u>5-27</u> , 201 <u>7</u>	
By:	<input checked="" type="checkbox"/> U.S. Mail <input type="checkbox"/> FAX
	<input type="checkbox"/> Hand Delivered <input type="checkbox"/> Overnight Courier
	<input type="checkbox"/> Certified Mail <input type="checkbox"/> Other
Signature	<u><i>[Signature]</i></u>